

Direct Fax (616) 726-2299

June 7, 2006

Hon. Wendell A. Miles
U.S. District Court Judge
399 Federal Bldg.
110 Michigan, NW
Grand Rapids, MI 49503

RE: Quality Stores, Inc., et al., Debtors; Chapter 11; Case No. 02 B 12059
QSI Holdings, Inc., et al v David C. Bliss, et al; Adv. Proc. No. 03-88076
QSI Holdings, Inc., et al v David C. Bliss, et al; District Court Case No. 06-00306

Dear Judge Miles:

At the request of your clerk, I am writing to verify a telephone conversation of today in which we informed your office that the underlying dispute in the above-referenced adversary proceeding is in the process of being settled. For this reason, I contacted your office to request that no further action be taken on the appeal pending documentation and execution of our settlement agreement. Your clerk asked that we put this request in writing.

Should you have any questions about this matter, please feel free to contact the undersigned at your convenience.

Very truly yours,

FOSTER, SWIFT, COLLINS & SMITH, P.C.

/s/ Scott H. Hogan

for James B. Frakie

JBF/keu

cc: all counsel of record
Gregory Kaden (via email)

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